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**Town of Bentonia
P. O. Box 310
Bentonia , MS 39040**

July 28, 2017

**Office of the State Auditor
P. O. Box 956
Jackson, MS 39205**

RE: Annual Municipal Compilation

Department of Technical Assistance

Accompanying this letter are two copies of the annual compilation of certain financial information and report on agree-upon procedures for the fiscal year ended September 30, 2016 the Town of Bentonia, Mississippi. In connection with this compilation, a separate management letter was not written in the town

Sincerely yours,



**TREY BURTON
Mayor**

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TOWN OF BENTONIA

**COMPILATION OF CERTAIN FINANCIAL INFORMATION AND
REPORT ON AGREED-UPON PROCEDURES
FISCAL YEAR ENDING SEPTEMBER 30, 2016**

**Ardis D. Russell, CPA
Certified Public Accountant
Yazoo City, MS 39194**

TABLE OF CONTENTS

AGREED-UPON PROCEDURES

Independent Accountant's Compilation Report	1
Statement of Cash Receipts and Disbursements – All Fund Types	2 – 3
Notes to the Financial Statements	4
Schedule of Capital Assets	5
Schedule of Investments	6
Schedule of Surety Bonds of Municipal Officials	7
Accountant's Report on Agreed-Upon Procedures	8 - 11

AUG 28 2017

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Mississippi Society of
Certified Public Accountants

July 10, 2017

Honorable Mayor and Board of Aldermen
Town of Bentonia
Bentonia, Mississippi 39040

We have compiled the accompanying statement of cash receipts and disbursements – all fund types of the Town of Bentonia for the year ended September 30, 2016, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying statement of cash receipts and disbursements – all fund types and, accordingly, do not express an opinion or any other form of assurance on it.

The town's policy is to prepare its financial statement on the basis of cash receipts and disbursements; consequently, certain revenue is recognized when received rather than when measurable and available, and certain expenditures are recognized when paid rather than when the obligation is incurred. Accordingly, the statement of cash receipts and disbursements – all fund types is not intended to present results of operations, in conformity with generally accepted accounting principles.

The supplementary information contained on pages 5 through 7 is presented for purposes of additional analysis and has been compiled by us from information that is the representation of management of the Town of Bentonia, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on such supplementary information.

Ardis D. Russell, CPA

Ardis D. Russell, C.P.A.

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Town of Bentonia, Mississippi
Statement of Cash Receipts and Disbursements – All Fund Types
Fiscal Year Ended September 30, 2016

	<u>Governmental Fund Types</u>				<u>Memorandum Only</u>	
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Proprietary Fund Type-Enterprise</u>	<u>2016</u>	<u>2015</u>
Cash Receipts						
Taxes						
General property taxes	\$33,122				\$33,122	\$ 32,137
Railroad tax	2,025				2,025	1,492
Overload tax	249				249	632
License and permits						
Utility franchise charges	6,723				6,723	8,534
Privilege licenses	262				262	898
Intergovernmental revenues:						
General municipal aid	219				219	219
State shared receipts						
Sales taxes	172,706				172,706	180,951
Fire protection allocation		\$2,822			2,822	2,394
Gasoline taxes	1,293				1,293	1,293
Grand Gulf	2,524				2,524	2,633
Homestead exemption	2,039				2,039	1,961
Liquor privilege tax	900				900	900
Enterprise operating revenues collected						
Water and sewer				\$ 84,621	84,621	76,202
Other						
Fines	4,222				4,222	14,652
Interest	1,572				1,572	1,919
Other	14				14	563
Total Cash Receipts	<u>\$ 227,870</u>	<u>\$ 2,822</u>		<u>\$84,621</u>	<u>\$315,313</u>	<u>\$ 327,380</u>

See Accountant's Compilation Report

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Town of Bentonia, Mississippi
Statement of Cash Receipts and Disbursements – All Fund Types
Fiscal Year Ended September 30, 2016

	<u>Governmental Fund Types</u>			Proprietary Fund Type- <u>Enterprise</u>	<u>Memorandum Only</u>	
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>		<u>2016</u>	<u>2015</u>
Cash Disbursements						
General government	\$ 103,739				\$103,739	\$ 120,724
Public safety						
Police	106,116				106,116	121,146
Fire		\$12,021			12,021	7,284
Highway and streets						
Maintenance of streets	9,620				9,620	15,473
Street paving						
Street lights	11,461				11,461	12,757
Enterprises						
Waterworks				\$ 34,068	34,068	38,129
Sewer Operations				40,560	40,560	60,628
Sewer improvements				80,706	80,706	
Mosquito spray grant						
Total Cash Disbursements	<u>230,936</u>	<u>12,021</u>		<u>155,334</u>	<u>398,291</u>	<u>376,141</u>
Excess Cash Receipts Over (Under) Cash Disbursements	(3,066)	(9,199)		(70,713)	(82,978)	(48,761)
Transfers In				70,713	70,713	22,555
Transfers Out	(70,713)				(70,713)	(22,555)
Prior Period Adjustment						
Cash Balances, Beginning of Year	<u>850,743</u>	<u>(50,965)</u>	<u>30,673</u>		<u>830,451</u>	<u>879,212</u>
Cash Balances, End of Year	<u>\$776,964</u>	<u>\$ (60,164)</u>	<u>\$ 30,673</u>	<u>\$ 0</u>	<u>\$747,473</u>	<u>\$ 830,451</u>

See Accountant's Compilation Report

TOWN OF BENTONIA, MISSISSIPPI
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2016

Note A: Summary of Significant Accounting Policies

General Information

The town operates under the Mayor – Alderman form of government and provides services as authorized by law.

Reporting Entity

The financial statement of the town consists of all the funds of the town.

Fund Accounting

The accounts of the town are organized on the basis of funds, each of which is considered a separate accounting entity.

Basis of Accounting

The financial statement is prepared on a cash receipts and disbursements basis, as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

Note B: Report Classifications

Receipts and disbursements were classified according to requirements for small towns in the State of Mississippi as prescribed by the Office of the State Auditor.

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Town of Bentonia, Mississippi
Schedule of Capital Assets
Fiscal Year Ended September 30, 2016

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Government activities:				
Capital Assets:				
Buildings	\$ 35,949			\$ 35,949
Machinery and Equipment	<u>309,946</u>	<u>\$ 9,155</u>		<u>319,101</u>
Total Governmental Activities Capital assets	<u>\$ 345,895</u>	<u>\$ 9,155</u>		<u>\$ 355,050</u>
Business-type activities				
Capital Assets:				
Lagoon	\$ 358,454			\$ 358,454
Machinery and Equipment	<u>627,311</u>	<u>\$58,632</u>		<u>685,943</u>
Total Business-type activities Capital assets	<u>\$ 985,765</u>	<u>\$58,632</u>		<u>\$ 1,044,397</u>

AUG 28 2017

See Accountant's Compilation Report

Town of Bentonia, Mississippi

**Schedule of Investments
September 30, 2016**

Governmental Fund Types

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>
General Fund			
Certificate of Deposit (Bank of Yazoo)	0.10	12-15-16	\$219,099
Certificate of Deposit (Bank of Yazoo)	0.10	02-3-17	<u>102,684</u>
Total Governmental Fund Types			<u>\$ 321,783</u>

Total Investments

See Accountant's Compilation Report

12-3-2017

Town of Bentonia, Mississippi

**Schedule of Surety Bonds of Municipal Officials
September 30, 2016**

<u>Name</u>	<u>Position</u>	<u>Surety</u>	<u>Amount</u>
Cannon Williams	Town Clerk	Travelers	\$ 50,000
Gary Taylor	Clerk Assistant	Travelers	\$ 50,000
Jason Bright	Deputy Clerk	Travelers	\$ 50,000
Jason Bright	Chief of Police	Travelers	\$ 50,000
Kimberly R. Tyer	Mayor	Travelers	\$ 25,000
	Each Council Member	Travelers	\$ 10,000

See Accountant's Compilation Report

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July 10, 2017

SPECIAL REPORT ON AGREED-UPON
PROCEDURES FOR SMALL MUNICIPALITIES
(TOWNS)

(Compliance Letter)

Honorable Mayor and
Board of Aldermen
Town of Bentonia
Bentonia, Mississippi

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of the Town of Bentonia, Mississippi, as of September 30, 2016, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of the Town of Bentonia, Mississippi and the Office of the State Auditor and should not be used for any other purposes. Our procedures and findings are as follows:

- A. We reconciled cash on deposit with the following banks to balances in the respective general ledger accounts and obtained confirmation on the related balances from the banks:

<u>Bank</u>	<u>Fund</u>	<u>General Ledger Balance</u>
BankPlus	General	\$ 417,368
BankPlus	Fire Protection	10,594

- B. We confirmed directly with respective banks all investments, including certificates of deposits, owned by the Town of Bentonia. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Mississippi Code, 1972, Annotated.

<u>Investment</u>	<u>Fund</u>	<u>Amount</u>
Certificates of Deposit	General	\$ 321,783

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- C. We performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:

1. Trace levies to governing body minutes;
2. Traced distribution of taxes collected to proper funds; and
3. Analyzed increase in taxes for most recent period for completion with increase limitations of Sections 27-39-320 to 27-39-323, Miss Code Ann. (1972).

The distribution of taxes to funds was found to be in accordance with prescribed tax levies.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Miss Code Ann (1972).

Ad valorem tax collections for the retirement of general obligation debt was found to be sufficient for payment of current principal and interest in accordance with limitations imposed by Sections 21-33-87 and 21-33-303, Miss Code Ann. (1972).

	<u>Taxable Assessed Valued</u>	<u>Millage</u>	<u>Tax</u>
Real Property	\$1,858,502	14	\$ 26,019
Personal Property	254,447	14	3,562
Homestead Exemption Allowed	225,099	14	(3,151)
Actual Homestead			
Reimbursement			2,039
Tax Collector's Commissions			<u>(982)</u>
Total Taxes to Account For			<u>\$ 27,487</u>

	<u>Taxes Less Collector's Commissions</u>	<u>Homestead Reimbursement</u>	
Collections and Settlements			
General Fund	<u>\$25,120</u>	<u>\$ 2,039</u>	<u>\$ 27,159</u>
Total			27,159
Unaccounted for -- (over)			<u>328</u>
Total Taxes Accounted For			<u>\$ 27,487</u>

The distribution of taxes to funds was in accordance with prescribed tax levies, and uncollected taxes were properly handled.

Advalorem tax collections were within the limitations of Sections 27-39-320 through 27-39-323, Mississippi Code, 1972, Annotated, as follows:

Limitation:		Actual Collections:	
Base Year 2015	\$ 27,198	FYE 9/30/16	\$ 26,102
10% Increase	2,720	Homestead Exemption	
		Reimbursement	2,039
		New Property (\$127,072 X	
		14 mil)	(1,779)
		Under (Over) Limitation	<u>3,556</u>
Total			<u>\$ 29,918</u>

Advalorem tax collections for retirement of general long-term debt were sufficient for payment of current principal and interest in accordance with limitations imposed by Sections 21-33-87 and 21-33-303, Mississippi Code, 1972, Annotated.

- D. We obtained a statement of payments made by the Mississippi Department of Finance and Administration to the town. The payments were traced to deposits in banks and recording in the general ledger without exception. Cash receipts were as follows:

<u>Purpose</u>	<u>Receiving Fund</u>	<u>Amount</u>
Sales Tax Allocation	General Fund	\$ 172,706
Gasoline Tax	Street Improvement Fund	1,293
Homestead Exemption	General Fund	2,039
General Municipal Aid	General Fund	219
Grand Gulf	General Fund	2,524
Fire Protection	Fire Fund	2,822
Liquor Privilege Tax	General Fund	<u>900</u>
Total		<u>\$ 182,503</u>

- E. We selected a sample of purchases made by the town during the year. Each sample item was evaluated for compliance with public purchasing requirements set forth in Title 31, Chapter 7, Mississippi Code, 1972, Annotated as applicable.

The sample consisted of the following:

Number of Sample Items	<u>14</u>
Dollar Value of Sample	<u>\$ 31,985</u>

We found the town's purchasing procedures to be in compliance with the above sections.

- F. We selected a sample of collection of fines and forfeitures and verified that the municipal court clerk had settled daily with the municipal clerk. We also selected a sample of state-imposed court assessments collected and determined that the municipal clerk had settled periodically with the Department of Finance and Administration.

We found the municipality to be in agreement with the requirements of the above mentioned sections.

- G. We have read the Municipal Compliance Questionnaire completed by the town. The completed survey indicated no instances of noncompliance with the state requirements.

Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express an opinion on any of the accounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the specified accounts or items should be adjusted. Had we performed additional procedures or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report related only to the accounts and items specified above and does not extend to any financial statements of the Town of Bentonina, taken as a whole.

Ardis D. Russell, CPA

Ardis D. Russell, CPA

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